Managing the Development of Specialty Fertilizers From Inception to Commercialization

Presented by A Ray Shirley, Jr., P.E. President Applied Chemical Technology, Inc. 4350 Helton Drive Florence, AL 35630 256-760-9600

Presented for The Fertilizer Industry Round Table 58th Annual Meeting Charleston, SC November 13, 2008

Five Primary Development Phases

- **1.** Conception
- 2. Product development
- 3. Process development
- 4. Plant construction or alteration
- 5. **Production**

Conception

- Project Inception
 - Possible economic opportunity
 - Niche Market
 - Company challenge/problem
 - Competition

Incubation

- Project merits discussed
- Ideas simmer
- Must be careful not to loose project
 - A promoter or champion for the project

Project Goals

- Estimated market potential
- Desired characteristics
- Estimated production requirements
- Range of acceptable production costs
- Timing requirements
- Budget limitations
- Project priority
 - **Special considerations**

PRODUCT DEVELOPMENT

Exploratory lab work

Small scale pilot plant

Large scale pilot plant

EXPLORATORY LAB WORK

- Rough Assessment
 - Experience
 - Literature
 - Involve Design Engineers

Exploratory Lab Work



PROCESS DEVELOPMENT

- In-depth Lab Work
- Review
 - Feasibility
 - Production Cost
 - Involve Design Engineers

Process Development Conceptual Design Based on lab work Assess feasibility Preliminary conceptual design Equipment Preliminary layout Lab methods compatible with full scale plant Review

Evaluate Full Scale Capital And Production Cost

- Reasonable
- Conceptual design
- Cost estimate
- Scale down the full scale plants
- Scale up the lab work

Full Scale Review

Original goals are still valid

Goals met by development efforts

Estimate chance for success

CONCEPTUAL DESIGN COMPLETE

- Alter Concepts
 - Improve product
 - Improve production costs
 - Avoid processing problems
 - Refine product and process in lab
 - Involve design engineers





SMALL SCALE PILOT PLANT

- Assess Feasibility
 - Process experience
 - Scale up data
- Provide Product
 - As soon as product is available, full scale evaluation of properties should start
- Design/Build Pilot Plant
 - Economic
 - Materials of construction
 - Pressure
 - Safety
 - Flexible
 - Easy to modify



- Review full scale plant design
- Scale up challenges may be identified
- Revise
- Involve design engineers



Small Scale Pilot Plant Evaluate Cost Large scale pilot plant Full scale plant Production cost

The project must again go under detailed management review to determine if it should be continued. Before progressing to the full scale pilot plant a high likelihood of project success should be evident!



Large Scale Pilot Plant





LARGE SCALE PILOT PLANT

- A small production plant
- Designed and built for change
- Mirror full scale plant
- Test scale up
- Scale up at a ratio of 10:1
- Involve design engineers

Factors Affecting Cost Of Large Scale Pilot Plant

- Capacity
- Life Expectancy Of Pilot Plant
- Used For Production
- Location
- Existing Equipment/Facilities Available
- Experience Of Design/Fabrication
 - Company

Large Scale Pilot Plant

Upon Completion

- Revise design
- Size major components
- Revise full scale plant layout
- Revise production cost
- Detailed management review
 - Production feasibility
 - Economics
 - Sales
 - Capital
 - Timing

Market Development

Use large pilot plant to generate product for market development

May provide

- Product for early market introduction
- Training for operators

Full Scale Plant Construction

Revised conceptual design/final design

• Design Engineers

Informed as project moves through

development

Part of solution to challenges/problems

Production Start-up Full Scale Plant

- Final step of the development process
- Final exam
- Success of start-up is knowledge of
 - plant and process
- Attention to detail

Summary

- Conceive idea for product
- Develop product
- Develop process
- Construct or modify plant
- Production

